



**Western
Bay of Plenty**
District Council



**Mā tō
tātou takiwā
For our District**

**Attachment 3.
DRAFT
Housing Action Plan 2024**

20 June 2024



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Introduction

Council first set out a WBOPDC Housing Action Plan in 2018 which described the actions Council can take, where we have an influence on improving the housing situation. The Plan outlined the strategies and how we needed to work together with other stakeholders involved in housing delivery to achieve the vision.

Council has delivered on many actions in the Housing Action Plan however the acceleration in housing prices both nationally and within the District has seen the housing crisis deepen. The challenge to address housing gaps is a critical issue facing the District. The impacts are not only on people affected by housing stress – a compounding effect of lack of affordable housing is the economic impact on the sub-region. A housing market that meets the needs of a community ensures workers can live and work within that community, thus enhancing the productivity of the economy.

“Housing is fundamental to our economic and social wellbeing and plays a central role in individual and community health outcomes, family stability, and social cohesion. A responsive housing market facilitates labour market mobility, allowing people to move to take up job opportunities and enhancing the productivity of the economy.” (New Zealand Productivity Commission. Using land for housing, (2015)).

There is not a ‘quick fix’ to the housing situation. Housing is a complex system and a sustained commitment to place-based housing strategies, ones that reflect our communities specific needs, is the best way forward. Delivering on these strategies is fundamental to the wellbeing of our communities.

Vision

Many components of Housing Action Plan 2018 remain as relevant in 2024, including the Vision:

All Western Bay of Plenty residents are well housed.

That is, people have access to housing that is affordable, accessible, habitable with security of tenure, and appropriate to life stages and differing needs.

The vision is aspirational. The actions set out in the Housing Action Plan refer to the range of actions Council can take, where Council can have an influence.

Council cannot achieve the vision alone; however, Council will position its activities and influence to contribute towards achieving the vision, within its resourcing capabilities.

Council's role in enabling housing

In summary, Council can work in the following ways to progress the vision;

Leader - The lead agency for facilitating local place-based housing strategies and action plans to deliver local housing outcomes.

Enabler - Providing opportunities for housing through land use zoning, infrastructure to support housing development, accessing Central Government funding, and streamlining the consent process.

Provider - Specific housing projects delivered that align with community needs identified in local housing plans and making use of opportunities Council can provide with its elder housing portfolio.

Council has established a lead role in facilitating local housing networks and developing local place-based housing systems plans which inform council actions. The purpose of these networks is to increase coordination across local housing sectors, with all parties on the same page with housing needs, which will help to grow connections and improve delivery of housing to meet specific gaps in the local housing system. Housing networks have been established in Te Puke and Katikati to date and include developers, real estate agents, social service providers, community housing providers, government agencies and iwi / hapū.

Council leads land use planning for our communities. Having sufficient land supply, which is serviced with the right infrastructure, is critical to meeting housing needs. To do this effectively, WBOPDC is using spatial plans to ensure the right land is identified, with the

right services and infrastructure to support both housing and business growth that is beneficial to our communities and environment.

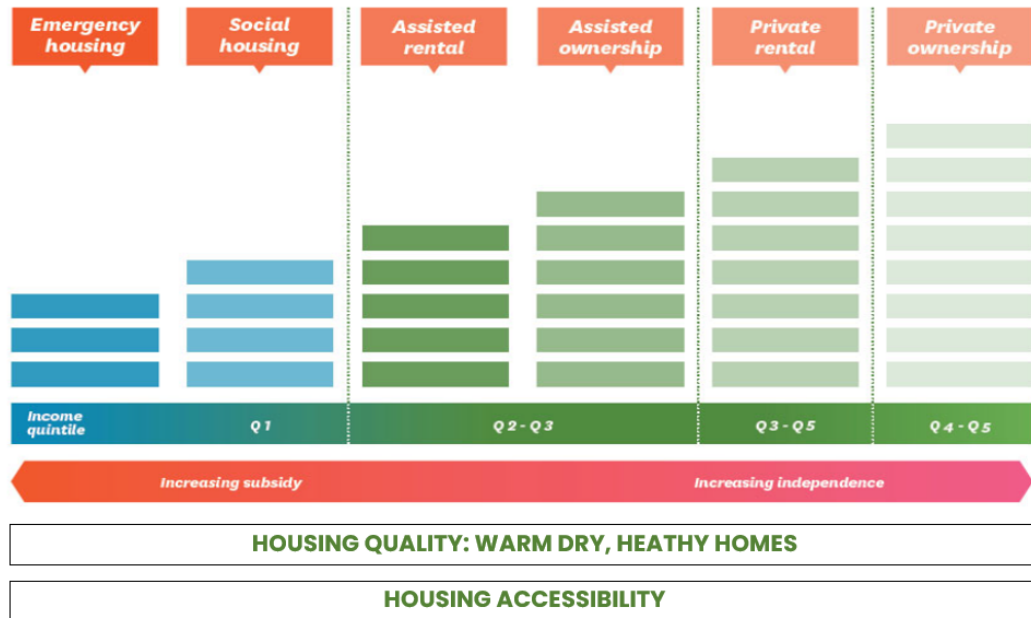
Council's strategic planning role incorporates its role as a partner in SmartGrowth, the western Bay of Plenty sub region's Urban Growth Partnership. The SmartGrowth Strategy 2023 includes the Future Development Strategy for the sub-region. Council has a lead role in implementing the Future Development Strategy through its strategic planning and land use planning functions.

Many parts of a Council's work touch on housing. As such, Councils have a role to ensure they are doing what they can to progress housing outcomes, not relying only on external solutions. WBOPDC has an intentional focus on enabling housing across council activities, for example by;

- focussing on improving internal systems and processes, such as resource consent and building consent timeframes.
- keeping up to date on what is happening with housing policy nationally and in other jurisdictions and exploring ways to progress opportunities locally.
- ensuring Council staff have knowledge of new opportunities to enable housing and sharing information with relevant stakeholders including iwi, developers, not for profit housing providers for example. Recent examples are BOP Housing Equity Fund's launch and a recent announcement of a bank's mortgage product for housing on whenua Māori.

The Housing Continuum

A comprehensive housing plan considers the full range of housing needs in a community. This is illustrated in the diagram showing housing tenures and types across the housing continuum, along with income levels via quintiles. Grouping cohorts into income quintiles in the housing continuum is a useful way to analyse and determine diverse housing needs.



Starting from the *lowest income quintile, Q1*, which are very low-income households, housing subsidies ensure these households spend a maximum of 25% of their gross income on housing. Social Housing and Community Housing is targeted at these households.

SUBSIDY: the government provides the Income Related Rent Subsidy (IRRS)

Low to moderate income households (Q2-3) can afford to spend no more than 30% of their gross income on rent or mortgage costs.

SUBSIDY: Work and Income New Zealand's (WINZ) Accommodation Supplement and Temporary Assistance Scheme, or accommodation provided at below market rental by not-for-profit organisations.

Moderate income and above households (Q4-5) own or rent housing under the prevailing market conditions.

SUBSIDY / ASSISTANCE:

The government provides home ownership products such as First Home Loans. Assisted home ownership is an umbrella term which describes programs to support people into home ownership who otherwise could not afford to purchase a home. It is generally targeted to income quintiles 3-5. Schemes include Rent to Buy and shared ownership

schemes. In the District they are provided by entities such as YouOwn and NZ Housing Foundation. People can buy their first home with as little as 5% deposit, by partnering with a shared ownership provider, to buy a house together. Initially, the shared ownership provider would own part of the home, say 10%, hence people needing a smaller deposit upfront. People buy back shares from the provider until they no longer have a stake in the home.

A good housing action plan should aim to support people to move across the housing continuum, from less secure tenure to increasingly secure tenure; e.g. from emergency housing to social housing or renting or say from renting to home ownership. Research has consistently shown significant individual and community benefits when people have security of tenure in their housing.

Council Priority Actions

This section forms the core Housing Action Plan with actions listed below. They are grouped into three areas; actions that work across the whole housing continuum, specific actions that are about project delivery in the short term, (projects that are already funded), and actions that span across each income quintile of the housing continuum.

Actions that support outcomes across the entire housing continuum

1. Facilitate local housing networks to develop and implement place-based housing strategies, including providing a strong evidence base for strategies by completing local housing needs assessments.
2. Spatial planning in accordance with requirements of Future Development Strategy
3. Knowledge sharing and engagement e.g. via council’s website, housing networks, and other specific forums.
4. Internal council process improvement, including timeframes for consenting.
5. Monitoring and sharing data and indicators of local housing situations.
6. Support provision of habitable housing: warm, dry healthy homes
 - a. Continue to partner with the Twenty Degrees Programme for improving housing quality in high needs communities.
 - b. Provide information about the range of healthy homes programmes to our communities, (including low interest/no interest loans).
 - c. Provide information about energy efficient homes, including cleaner heating options.
7. Support provision of accessible housing.
8. Explore the District Plan and other tools to incentivise design and construction for access and mobility.

Contribution to the Vision				
Affordable	Accessible	Habitable	Security of tenure	Appropriate to life stage
✓	✓	✓	✓	✓

Specific Actions on Housing Delivery: project delivery in the short term

9. Redevelop Council's Elder Housing in Katikati.
10. Support current housing project initiatives on whenua Māori across the District:
 - a. Facilitate feasibility studies and progress next steps for whenua Māori housing development with Te Arawa ki Tai.
 - b. Facilitate feasibility studies and next steps for whenua Māori housing development at Tuapiro marae.
 - c. Support whenua Māori housing development at Tawhitinui marae.
 - d. Progress changes to the District Plan to support Papakāinga developments.
11. Explore options to utilise Council-owned land in Kotahi Lane, Katikati, to leverage housing outcomes that meet identified gaps in the housing continuum.

Contribution to the Vision				
Affordable	Accessible	Habitable	Security of tenure	Appropriate to life stage
✓	✓	✓	✓	✓

Further Actions based on income quintiles across the housing continuum

Income Quintile 1. Emergency Housing, Social and Community Housing

12. Council staff ensure homeless people have access to information about where to obtain support to access housing.
13. Remain an active member of Kāinga Tupu Homelessness Taskforce and contribute to implementation of the Kāinga Tupu WBOP Homelessness Strategy 2023 – 2028.
14. Support social housing developments in Te Puke, in partnership with other potential providers.
15. Support social housing development in Katikati, in partnership with Kāinga Ora.
16. Continued provision of Council incentives to enable social and community housing via council's Finco reductions.

Contribution to the Vision				
Affordable	Accessible	Habitable	Security of tenure	Appropriate to life stage
✓	✓	✓	✓	✓

Income Quintile 2. Affordable/Assisted Rental and Assisted Ownership

- 17. Advocate for assisted ownership programs and communicate these to WBOPDC communities.
- 18. Monitor implementation of inclusionary zoning in other jurisdictions, and potentially explore inclusionary zoning in the District.
- 19. Identify and support new project opportunities as they emerge.
- 20. Monitor MSD's' Accommodation Supplement uptake as an indication of affordability.
- 21. Explore and enable Build-to-Rent (BTR) opportunities, at below market rent rates.
- 22. Use Council-owned land to develop joint initiatives for housing developments that contribute assisted rental and assisted ownership models to the market.
- 23. Continued provision of council incentives to enable assisted rental and assisted home ownership by Māori and community housing providers, via Council's Finco reductions.

Contribution to the Vision				
Affordable	Accessible	Habitable	Security of tenure	Appropriate to life stage
✓	✓	✓	✓	✓

Income Quintile 3-5. Private market including affordable housing

- 24. Review the rural and residential zone provisions for minor dwellings in the District Plan, including consideration of Tiny Homes.
- 25. Seasonal Worker Accommodation - update accommodation assessment, last completed in 2017, in partnership with kiwifruit sector and determine what future actions may be needed.
- 26. Explore and enable Build-to-Rent (BTR) opportunities, at market rent rates.
- 27. Explore and enable affordable to purchase opportunities, (e.g. affordable License to Occupy, Secure Homes Programs).
- 28. Monitor Medium Density Residential Standards delivery in Te Puke and Ōmokoroa.
- 29. Ensure Council planning tools enable and encourage delivery of a mix of housing typology and price points – this includes a review of the residential zone provisions in the District Plan to explore ways to deliver a range of housing typologies.

Contribution to the Vision				
Affordable	Accessible	Habitable	Security of tenure	Appropriate to life stage
✓	✓	✓	✓	✓

Measuring and reporting progress

Progress against the vision and implementation of the Housing Action Plan will be measured and reported.

Measuring achievement of the vision – the extent to which people have access to housing that is affordable, accessible, habitable with security of tenure, and appropriate to life stages and differing needs – is key.

Assessing whether the Council Priority Actions are being implemented, and within expected timeframes, will also be done.

Based on the above, changes to the Action Plan can be made if an Action is not able to be achieved.

The housing system is complex, and many variables influence the provision of housing. The Action Plan focuses on areas of the housing system council can influence. Equally important is monitoring housing development activity, as this is key to understanding the level of housing construction in the District, i.e., the number of consents issued by council along with actual and projected residential development.

Measurement of progress on the Housing Action Plan will be reported on council's website.

Glossary of terms

Accessible housing	Refers to the construction or modification, (such as through renovation or home modification), of housing to enable independent living for persons with disabilities.
Accommodation Supplement	Is a weekly payment from WINZ which helps eligible people with their rent, board, or the cost of owning a home.
Affordable housing	Housing costs should not compromise the ability to afford other basic and reasonable needs such as doctor's visits and groceries. Housing is usually understood as unaffordable when housing costs are more than 30% of a household's take-home income; particularly for households on lower incomes – under 40% of the median income.
Assisted rental	Accommodation provided at below market rental by Not-for-Profit organisations. Commonly provided for people who are not eligible for Social Housing but cannot afford market rent. Examples includes Councils' Elder housing, RSA flats, Abbeyfield housing.
Assisted purchase	Is an umbrella term used to describe a multitude of programs which help people into home ownership. People who would have once bought a home but have been priced out of home ownership are the cohort these programs are targeted at. Examples of assisted home purchase programmes include; Secure Homes Program and Shared Home Ownership schemes. These are listed further below.
Build to Rent (BTR)	Is a type of residential development, specifically built to provide long-term secure rental housing rather than for sale on completion. Tenants can secure leases for up to 10 years and often have pets in their home. The developments are typically large, professionally managed, and usually owned by a single institutional investor. In March 2023, the restoration of interest deductibility for that asset class was enacted.
Community Housing	Is rental housing provided by registered Community Housing Providers (CHPs), rather than private landlords. It is long-term rental housing, provided under the rules set out in the Residential Tenancies Act 1986. Community housing is a form of affordable housing working alongside private housing in the open market. Typically, CHPs are not-for-profit groups meeting housing need through a range of affordable rental and home ownership options. CHPs also provide an alternative to the public housing provided by Kāinga Ora. Since 2014, CHPs have been able to provide Social Housing homes to those on the Public Housing Register and access the Income Related Rent Subsidy.
Consent processes	Every building project must comply with the Resource Management Act 1991 (RMA) and the Building Act 2004. These laws define the situations in which you need a resource consent and/or a building consent; and what you need to do to get them. Councils' District Plans set out which activities require a resource consent which is a formal approval for such things as the use or subdivision of land. Councils process resource consent applications. The Building Act covers the construction, alteration, demolition

		<p>and maintenance of new and existing buildings. It sets standards to ensure buildings are safe, healthy, and built right.</p> <p>A building consent is a formal approval granted by councils under the Building Act that allows a person to carry out building work.</p>
Council's Housing	Elder	WBOPDC provides housing for those over 65 years and with limited means, at an affordable rate. This is assisted rental.
Finco reductions		<p>The term Finco refers to the financial contributions councils require to assist with the costs of providing infrastructure for developments and providing for the recreational needs of the community.</p> <p>WBOPDC has a Finco reduction policy for Papakāinga and Community Housing which reduces the development costs of this Not-for-Profit housing.</p>
First Home Loans		A First Home Loan can make it easier for people to get into their first home by lowering the required deposit to 5%. First Home Loans are issued by selected banks and other lenders and underwritten by Kāinga Ora. This allows the lender to provide loans that would otherwise sit outside their lending standards. People need to meet the eligibility criteria and lending bank criteria.
Habitable housing		Refers to homes that are warm, dry, and healthy.
Inclusionary zoning		Is a planning tool that requires or provides incentives for private developers to incorporate affordable housing into developments. Under this regime developers set aside a proportion of that development for 'affordable housing,' land, or payment in lieu, often vested with not-for-profits for the purposes of providing affordable rental and homeownership options.
Income Related Rent Subsidy (IRRS)		<p>The Income-Related Rent Subsidy (IRRS) is paid by Ministry of Housing and Urban Development to social housing landlords, including community housing providers, to cover the balance between what a social housing tenant pays in rent and the market rent for the property.</p> <p>The majority of social housing tenants pay an income-related rent determined by the Ministry of Social Development, with the amount generally set at 25 percent of their net income.</p>
Kāinga Homelessness Taskforce	Tupu	The Taskforce is a collaborative initiative in WBOPDC and Tauranga City Council areas which leads a strategic and interagency collective approach to addressing homelessness across the Western Bay of Plenty sub-region. Kāinga Tupu in partnership with the WBOP Homeless Providers Network (HPN) implement the WBoP Homelessness Strategy and Action Plan 2023-2028.
License to Occupy		A license to occupy is a type of agreement that allows someone to occupy a property. For example, most retirement village operators use license to occupy agreements; when you "buy" a license to occupy, you are paying for the right to live in the unit and use the village facilities, until you sell it back to the retirement village operator. You do not actually own the unit.
Medium Density Residential Standards		These standards support the development of medium density housing by supporting three homes up to three storeys on each site, without the need for resource consent. The Standards only apply to certain urban

		areas. The Standards apply to Ōmōkoroa and Te Puke urban areas.
Place-based strategies		Place-based strategies are collaborative approaches used to address specific challenges and opportunities within a defined geographic area, such as a town. The approach is about understanding the issues, interconnections and relationships in a place and coordinating action and investment to improve the housing outcomes for that community.
Rent to Buy		Can be used as a starting point for people not quite ready for shared ownership. People can live in the home while saving up the deposit to buy it. After renting the home for five years, people can switch to a shared ownership programme, and work towards owning the home completely. New Zealand Housing Foundation have Rent to Buy options along with Shared Home ownership options in Ōmōkoroa. Rent to Buy is also referred to as Rent to Own.
Secure Homes Program		Is an assisted ownership programme run by Not-For-Profit organisations; it provides an affordable to purchase option and long-term housing stability in the same way freehold home ownership does. Homes are affordable as people only purchase the home and housing trusts retain ownership of the land. Buyers purchase a long-term lease to the land, set below market rates. Houses are sold back to the trust for cost plus inflation once the household moves on. It is operated in New Zealand by Queenstown Lakes Community Housing Trust, and Bridge Housing Trust has two Secure Homes developments in two locations in Waikato with a third in the pipeline. An example of pricing – Bridge Housing Trust provide the option of buying a home at the cost of construction, they have sold homes at half the price of market sale prices.
Security of tenure		Security of tenure is about people's ability to access a stable home, where they can put down roots, and be able to choose if, and when they move, whether they own their home or not.
Shared home ownership		This program helps people get into their first home. The shared home ownership provider owns a part of the home alongside the purchaser, and the purchaser buys the shared ownership component out over time. This means people can buy their first home with as little as 5% deposit, by partnering with a shared ownership provider to buy the house together. YouOwn and NZ Housing Foundation provide Shared Home Ownership in WBOPDC area.
SmartGrowth		Is the western Bay of Plenty sub region's Urban Growth Partnership. The partnership is made up of Bay of Plenty Regional Council, Tauranga City Council, Western Bay of Plenty District Council, tāngata whenua and central government. SmartGrowth covers the western Bay sub-region. The area that lies within the administrative boundaries of Tauranga City and the Western Bay of Plenty District. The SmartGrowth Strategy 2023 includes the Future Development Strategy for the sub-region. Council has a lead role in implementing the Future Development Strategy through its strategic planning and land use planning functions.

Social Housing	<p>Is housing owned or leased by Kāinga Ora or Community Housing Providers (CHPs) for use as social housing.</p> <p>Tenants in social housing usually pay an income-related rent determined by the Ministry of Social Development, with the amount generally set at 25 percent of their net income.</p> <p>Social housing is also referred to as public housing or state housing.</p>
Spatial plans	<p>Spatial plans set out how communities want their town and/or district to look in the future. It takes a long term and bird's eye view of the District.</p>
Temporary Additional Support	<p>Is a weekly payment from WINZ that helps people who don't have enough money to cover essential living costs. Eligibility criteria apply.</p>